?A2 SA
X
S67

SASK. LEGISLATIVE LIBRARY
MAR 20 1990
REGINA

# SPEECH FROM THE THRONE

Delivered on the Occasion

of the Opening of

## THE FOURTH SESSION

of

## THE TWENTY-FIRST LEGISLATURE

of the

PROVINCE OF SASKATCHEWAN

## BUILDING THE NEW SASKATCHEWAN CONSENSUS

**MONDAY, MARCH 19, 1990**

THE HONOURABLE SYLVIA O. FEDORUK, O.C., S.O.M.
LIEUTENANT GOVERNOR OF SASKATCHEWAN

**Mr. Speaker,**

**Members of the Legislative Assembly:**

This Legislative Session opens at a crucial time.

We have entered a new decade that has already seen extensive and unprecedented upheaval. Who would have thought we would ever see the tearing down of the Berlin Wall or democratic elections in the Soviet Union? Eastern European countries are only now adopting political systems and standards we have enjoyed for centuries. We are reminded that many of Saskatchewan's early pioneers came to this province for the freedom and democracy their former countrymen are now only beginning to imagine.

**Facing challenges for Saskatchewan**

While it is appropriate that we pause to reflect on our good fortune to be participating today in one of our long-standing democratic traditions, we must recognize that worldwide change presents many major challenges for Saskatchewan.

Only a few years ago, many countries relied on our grain to feed their population. Those countries have now decreased their reliance on imported food by propping up agriculture at home with massive subsidies. Our competitors have also entered the grain wars with hundreds of millions of dollars of subsidies.

The effect on Saskatchewan farm families has been severe. For the first time since 1933, realized net farm income is expected to be **minus** nine million dollars. Many farmers and their families are taking second jobs to maintain the family farm. Young people leave rural areas to find work. Families, businesses and communities, both rural and urban, are hurt by the economic impact of the crisis in the farming economy. Saskatchewan people are paying the price for the subsidies received by farmers in Europe and the United States.

Interest rates throughout the world are being kept artificially high to accommodate overheated economies. The Saskatchewan homeowner, small business person and farmer are now shouldering the effect of the high interest rates caused by Central Canada's boom.

World prices for natural resources have plummeted. Resource revenues cannot alone drive our efforts to diversify our economy.

In short, the world has declared economic war on Saskatchewan. We must now decide how we will respond to protect ourselves and ensure new and enduring prosperity.

**Change is all around us**

As we move into the 1990's, one thing is certain — we will witness more change in this decade than we have seen in the past 100 years. It is apparent we cannot rely on conventional wisdom to provide answers to the difficult problems we face. We must adapt. We must mobilize. We must develop a unified response in allocating our resources.

Saskatchewan people have always pulled together in times of crisis, and found creative and even unconventional solutions to difficult problems. Together we must face the new challenges of the future with the same sense of hope, conviction and co-operation that has kept Saskatchewan strong in the past.

My government has already taken major steps to help the people of Saskatchewan adapt to, and take advantage of, the changes the next decade will bring. My ministers have succeeded with bold new measures to keep pace with change. But, in some cases, they have moved too quickly and without adequate prior consultation to provide the measures they believed were needed to deal with the challenges we face.

**Building the new consensus**

At the present time, there is no broadly-based consensus on what changes are required. Saskatchewan people have their own individual ideas on what steps are necessary to prepare for the future. They need more opportunity to share their ideas with their friends, neighbours and fellow Saskatchewanians. We need to build a new Saskatchewan consensus if we are to conquer the challenges of tomorrow in a responsive and united way.

The public has told my ministers that they want to be consulted on the steps to be taken to achieve the new consensus. Saskatchewan people want to make choices about the future of their economy and society and be active participants in the process of change.

My government will reach out to every sector of Saskatchewan society in an unprecedented process of priority setting and consensus building toward the creation of a plan, a blueprint for the future. To guide the development of this blueprint, my government is creating **Consensus Saskatchewan**. **Consensus Saskatchewan** will invite people from across the province to participate in the development of our new alliance. A group of one hundred citizens from all walks of life will be called on to make recommendations on how best to take Saskatchewan through the next decade and into the next century. These one hundred people will focus on proposals within four specific priority areas the public has identified.

**The people have identified their priorities**

During recent public consultations with my ministers, the people of Saskatchewan identified four fundamental priorities they want to address in partnership with government and other sectors to prepare Saskatchewan to meet the challenges ahead. These priorities will form the basis of a new Saskatchewan consensus:

- People have told my ministers we must continue to expand and diversify our economy. We must get further away from "having all our eggs in one basket". They want to see more manufacturing and processing in this province. They understand now that wheat alone is economically unstable.

- People have told my ministers they are worried about the future of their communities. They have seen local businesses closing and a smaller economic base to support their schools, hospitals and other services. They want the government to work with them to maintain the viability of their hamlets, villages, towns and cities. They want to be able to attract businesses and services to their communities. They want to create opportunities. They do not want to leave.

- People have told my ministers they need the support, the skills and the opportunities to be able to contribute and to build their own way of life. They want their children to attend school in Saskatchewan, work in Saskatchewan and raise their families in Saskatchewan.

- People have said they want to see better management of our resources. They want waste eliminated. They want their governments to make sensible choices, provide strong leadership and renew their commitment to service and efficiency.

My government's agenda is built around these four fundamental priorities. They are the pillars on which my government's program is based.

## I. EXPANSION AND DIVERSIFICATION OF THE ECONOMY

The Saskatchewan economy has been built on the strong co-operative effort of individuals, local communities and government working together toward a common cause. This co-operative spirit has funded our schools, our hospitals and our social programs. It provides meaningful jobs for Saskatchewan people. It supports our families. It sustains and develops our communities. It is the foundation of our stability and prosperity for the future.

### The farm crisis affects us all

World events are threatening our traditional economic base. The farm sector is in severe difficulty. The Euro-American subsidy wars, low grain prices, drought, growing debt and high interest rates have reduced farm income and are undermining the viability of even the most efficient family farm. This situation affects the rest of the economy dramatically. Small businesses throughout the province feel the effect when farmers do not have cash. Our efforts to diversify the economy are slowed down when interest rates rise and grain prices fall.

My government has protected farmers in the past from world subsidies, drought and high interest rates. Recently, my First Minister, along with representatives of the Saskatchewan Wheat Pool, Pork Producers, Western Canadian Wheat Growers and Canola Growers Associations argued in Geneva for changes to the GATT, the General Agreement on Tariffs and Trade, to eliminate unfair advantages for small grain-producing countries. My government will continue to seek adjustments to international trade arrangements to help our agricultural sector.

### Protection for Saskatchewan farmers

My government has received a commitment from the Government of Canada that financial assistance will be provided to farmers for spring seeding. Ottawa has also agreed to establish a mechanism to help counteract the international grain subsidy wars. My ministers will press the federal government to fulfil these promises as soon as possible and in a way that ensures fairness and adequate assistance.

My First Minister has met with major lending institutions to obtain their commitment to bear a share of responsibility for solving the farm financial situation. Farm Credit Corporation, banks and credit unions must agree to work in partnership with both levels of government and individual farmers to find solutions. My government expects its own lending institutions to show leadership for lenders in dealing with the farm cash flow and debt crisis. A review of the mandate of the Agriculture Credit Corporation with respect to farm financing will be undertaken.

**Diversification can provide long term solutions**

Protection alone is only a short term answer. Longer term solutions lie in diversifying our economy to reduce our reliance on wheat.

The world situation presents opportunities. The expanding North American free trade arena is providing the basis for new diversification opportunities. The rapid growth of the European marketplace, particularly the Eastern European sector, demands considerable attention. My government will pursue initiatives in the Soviet Ukraine to encourage development of business and cultural ties with our Ukrainian friends. My government will sponsor delegations of Saskatchewan people to Eastern Europe. Trade and agricultural emissaries from this province will be designated as Honourary Ambassadors of Saskatchewan. This will demonstrate my government's commitment to the struggle for economic and political freedom of the people of Eastern Europe, while we seek to take advantage of the economic benefits for this province.

**Development of natural resources**

My government believes that our rich natural resources must be developed **before** they leave the province so that we benefit from the creation of other industries and the added value of those products as they leave Saskatchewan. Steps have already been taken by my government to provide for development of our resources:

- irrigation has allowed the development of our soil resources to support new specialty crops;
- we now produce, cut and package paper in Saskatchewan from our raw timber;
- heavy oil is converted into usable gasoline through our upgrader technology;
- hogs are processed into bacon and other pork products to support a rapidly expanding market in Canada, the United States and even the Soviet Union;
- rather than just exporting natural gas, we will soon be using it to produce fertilizer; and
- we are developing our own Saskatchewan ingenuity and exporting technology rather than intellect. Space technology on the Canadarm, communications technology for the Anglo-French channel project and Saskatchewan health card technology in Europe were all developed from home-grown Saskatchewan talent.

### Development of small business

Major new developments create an opportunity for small businesses to support and service the needs of the larger industrial base. Small business is the backbone of our Saskatchewan communities. Small business keeps local economies moving during difficult times for our agriculture and resource industries. They cannot do that, however, without the support and commitment of local communities and diversification of the agricultural-based economy.

### Partnerships with citizens

Saskatchewan people are telling my ministers they are ready and willing to personally participate in economic growth and diversification. Over 200,000 individual bondholders and shareholders have raised over 1.7 billion dollars during a period of drought and constrained economic growth. This allows Saskatchewan savings to work at home to finance economic development and diversification projects. Equity participation in SaskOil, Westbridge Computer Corporation and the Potash Corporation of Saskatchewan will allow those companies to grow and expand into national and international companies from their Saskatchewan base.

Employees can have a direct and personal stake in their workplace. Today, more than 2,300 employee owners and shareholders exist as a result of public participation initiatives in the Meadow Lake Sawmill, DirectWest, Printco Graphics, Great Western Brewing Company and several Crown corporations. Labour organizations have joined with the government to encourage employee ownership of small and medium-sized businesses through labour-sponsored venture capital programs. Other unions will be encouraged to follow the example of the Canadian Federation of Labour to develop new ways, in partnership with my government, for employees to put their savings and energies into financial security for their members and economic development and job creation in their own communities.

### We must plan together to build Saskatchewan

My government has begun a process of consultation to develop the expanded partnership for economic development and diversification. A newly-created Economic Diversification Council will be asked to develop an economic plan that will:

- build on our traditional agricultural and natural resource strengths to diversify the Saskatchewan economy;

- strengthen the existing manufacturing and service base to provide a solid foundation for future growth;

- develop new industries to respond to emerging opportunities such as high technology;

- upgrade our expertise as international traders, exporters and marketers;

- improve the promotional and developmental activities of all economic development organizations and agencies; and

- ensure the Saskatchewan economy has a strong base to meet the opportunities of the century ahead.

## II. SECURITY AND STABILIZATION OF COMMUNITIES

My government has confidence in the ability of Saskatchewan people to take responsibility for the growth, diversification and betterment of their own communities. Historically, we have been successful in addressing our economic and financial problems in a co-operative way.

On the national level, my government will press for a Canadian consensus on a process for constitutional reform. My ministers call on the other governments of Canada to rely on the great Canadian spirit of compromise and common sense to reach a solution to the present constitutional impasse.

While everyone is concerned with the development and protection of our world community, we all tend to look to our local communities first for a sense of stability and security. Particularly in times of crisis, we want to focus our resources on our families, friends and neighbours. Saskatchewan people are telling my ministers the farm crisis requires that we continue a co-operative partnership to strengthen our communities by diversifying our economy. People are prepared to actively participate and take action to protect their communities.

### Partnerships at the community level

Over the past few years, my government has been building partnerships with communities throughout Saskatchewan.

As a result of a positive working relationship with the Aboriginal people of Saskatchewan, my government will continue to pursue novel initiatives to improve the social and economic well-being of these people.

My government has created rural development corporations to respond to local demand for economic and social development. Funding for local groups to provide seed money for new small businesses that would otherwise not have received consideration from traditional lending sources has encouraged business in rural Saskatchewan. It has also fostered a new sense of common purpose for communities as they join in partnership for local enterprises.

**Investing locally**

This experience shows that people throughout the province are prepared to stand behind their local community. But too much debt is not productive and limits development of a truly secure and diversified local economy. In addition, the demand for Potash Bonds and the interest in investment and savings instruments demonstrate that there is money available in this province which can be mobilized for local communities. People are telling my ministers that they are prepared to invest in their own community.

In response to this demand, my government will introduce Community Development Bonds. These bonds will place the financial strength and protection of a government guarantee behind Saskatchewan people who invest to diversify their local economy. This will allow local money to be safely working as equity in their community. It will result in a strong partnership between people, their community and government for growth and diversification.

**Improved rural services**

Over the past eight years, my government has sought opportunities to decentralize government services and operations. Rural Service Centres across the province provide a variety of agricultural and business services for rural people at one convenient location. When complete, the network will have over 50 service centres and an additional 12 centres located in municipal offices.

Agricultural Credit Corporation and Saskatchewan Crop Insurance Corporation are now vital community citizens of Swift Current and Melville. In consultation with communities, my government will consider other proposals to bring government services closer to the people they serve.

**Delivery of services to communities**

My ministers want to ensure that all communities, both rural and urban, benefit from all possible modern day amenities. Individual line telephone service is almost a reality for every home in Saskatchewan. Following extensive consultation on changing population and trading patterns, SaskTel will be introducing the 40/40 Plan. This service will provide telephone subscribers with forty minutes of toll-free calling to exchanges within a forty mile radius. A major rate restructuring to provide the best service available at the lowest possible cost as we move into the computerized information age will be part of this package. SaskEnergy will continue the Rural Gasification Program which has already provided natural gas service to over 21,000 rural families.

The demand for power and electricity for industrial and domestic uses has been significant and is growing at a rapid rate. My government will consult broadly on options for providing the necessary sources of electricity and power to drive our economic base of the future.

**Preserving our natural gifts for future generations**

Saskatchewan people want to ensure that the environment we now enjoy will be maintained and protected from the kind of pollution and environmental damage we see elsewhere. The world's growing demand for protection of our precious natural resources was recognized early by my government through:

- development of water management plans and extensive irrigation projects throughout the province;
- preservation of 1.9 million acres of critical wildlife habitat land since 1984;
- signing of the federal-provincial Soils and Water Conservation Accord which included the planting of over 22 million trees in the first two years of a five year plan;
- introduction of the North American Waterfowl Management Plan in 1986 and the recent establishment of the Saskatchewan Wetlands Conservation Corporation;
- creation of the Round Table on Environment and Economy; and
- implementation of the Agricultural Chemical Collection Program in 1989.

In this Session of the Legislature, my government will also provide for the creation of an annual report on the environmental health of the province. This "State of the Environment" report will provide the public with an overview of current trends in resource conservation, development and integration of environmental and economic concerns. In partnership with the Round Table on Environment and Economy and local communities, my government will continue to pursue waste management initiatives and other environmental projects to maintain our clean environment.

Recent events have resulted in some uncertainty about environmental review procedures for development projects. Provincial and federal agencies are sorting out legislative and jurisdictional responsibilities and new federal environmental assessment legislation is expected this year. The public is also undecided about how projects should be evaluated. My government will consult with all affected groups and individuals to determine the best way for environmental impact to be assessed.

## III. GROWTH AND WELL-BEING OF PEOPLE

The farm crisis not only affects our economic and business life, but also puts a strain on individuals, families and friends in rural and urban communities alike. The protection and growth of the individual has been identified as a major challenge. **Consensus Saskatchewan** will be called on to determine a common view on what is required to support the development of our most valuable resource — our people.

### Children — our hope for the future

Children are of particular concern. Children look toward the future. They are not intimidated by change. Ask any parent who has watched their child master a complex computer game whether their child is afraid to take on the challenges of tomorrow. Saskatchewan parents do, however, want to ensure their children are provided with the best possible opportunity even in difficult times. They want to see their children take advantage of future change.

Children need the strength and support of family life to reach their full potential. They also need a nutritious diet with which to grow and develop. Most families can provide this. Some families need help. Governments, school boards, churches, volunteers and professionals have assisted my government to determine the extent of hunger in Saskatchewan. My government, through the Family Foundation, will introduce measures to coordinate and develop programs for the elimination of hunger in this province. These programs will be based on community needs and strengthened by community involvement.

### Success through education

Our children's success in the complex and rapidly changing economy of the future depends on an education that recognizes that memorizing facts will not be enough in an age in which knowledge will be constantly changing and advancing. Education must arm our youth with a basic foundation of human values and skills that they can apply to technology, information and scientific advancement we cannot even contemplate today. The new Core Curriculum is a leader throughout the world in providing those fundamentals for the future.

Partnerships between home, school and community are key to ensuring that our hopes and dreams for the success of all children are achieved. The importance of family involvement in education will be emphasized.

As we move through and beyond 1990 — United Nations International Literacy Year — we must ensure that illiteracy is eliminated. The technologically-advanced SCAN network will provide distance education opportunities to people isolated for geographic or other reasons. In partnership with the universities, the Saskatchewan Institute of Applied Science and Technology and the regional colleges, more first and second year university classes and technical programs will be available in communities outside Regina and Saskatoon.

**Supporting Saskatchewan families**

Many of our traditional notions about families are being challenged and changed. The families of today are undergoing tremendous change. Many families are experiencing stress. There are more single parent and blended families. Women working outside the home are challenged to find a balance between work and family responsibilities. A solid foundation of social programs ensures families remain strong and those in crisis receive the support of a caring society. Our responsible and compassionate approach to these matters has been demonstrated by the initiatives undertaken on behalf of Romanian orphans and the outpouring of affection for them by Saskatchewan people.

Last October, my government established the Family Foundation. In partnership with community groups, families and churches, the Foundation has already identified local issues affecting families and will sponsor 150 "Forums About Families" workshops throughout the province this year.

**Achieving self-sufficiency**

My government is committed to providing people with the opportunity to achieve dignity and pride through self-sufficiency. Since the introduction of welfare reform in 1984, training and employment opportunities have been created for more than 21,000 people on social assistance. In the coming year, the focus will be to help more people realize their potential. In consultation with those on social assistance, my government will pursue ways to make welfare a springboard to self-sufficiency.

**A healthier population through prevention**

Countries around the world are experiencing a crisis in health care. Technology is allowing procedures never before imagined. But costs are spiralling. We have learned that increased spending does not ensure healthier people. As in other countries, Saskatchewan's challenge is to ensure our health system is doing the right things and doing them in the best possible way.

The report of the Commission on Directions in Health Care will focus on important issues affecting our health care system. A consensus must be developed for the future of our health care system. My government is committed to examining the Commission's recommendations in partnership with the people of Saskatchewan. **Consensus Saskatchewan** will play an important role in examining public reaction to the report of the Commission.

Without good health, our children cannot learn. Our adults cannot be productive. Our seniors cannot enjoy their golden years. Our goal is a healthy population. Preventing illnesses and accidents is the best way to achieve health for all.

My government believes that individuals, communities, medical professionals and governments share responsibility for health. New partnerships have developed through the introduction of the "Everyone Wins" program, through the AIDS education program and through the work of the Cancer Foundation and others to launch breast cancer screening pilot projects. Prevention is the best health policy.

Government has responsibility to ensure that the best treatment services are available for people, when needed. But individuals and professionals have a responsibility to ensure services are used in the most efficient and effective way possible. As a first step, my government has established a Technology Assessment Group to evaluate and recommend high technology acquisitions for provincial health care.

Under the guidance of the Advisory Committee on the Safe Use of Medicines, my government will develop educational programs to inform people about the safe use of prescription and over-the-counter drugs. Initially these programs will be targeted to assist seniors.

Saskatchewan has always been a world leader in health care. The development of the computerized health card technology has reaffirmed this status. Belgium, Japan and the State of Maryland have shown interest in using our technology. My government will continue to develop uses for this technology in health care.

## IV. RESPONSIBLE AND EFFICIENT MANAGEMENT OF RESOURCES

The economic and fiscal challenges faced by the Province have been made clear. Some difficult decisions have already been taken to ensure that resources will be available to put the basic needs of the people of Saskatchewan first. By being a prudent manager of our limited resources, my government will find the resources needed to protect Saskatchewan people from factors beyond their control.

Steps have already been taken:

- ministerial salaries have been rolled back;
- the size of the public service has been frozen;
- internal government expenditures have been held at zero per cent for the next two years;
- government departments are being consolidated;
- restrictions on travel and advertising have been implemented;
- the HOME program has been cancelled;
- the gas tax rebate program has been eliminated; and
- mortgage protection, while retained, has been adjusted to reflect the increasing pressure on interest rates.

These were not decisions my government took lightly. Sound management choices had to be made to put our limited resources where they are most needed.

### We must all work together to manage our resources

Steps that have already been taken cannot be viewed as the total solution to the management of our resources. My government has already asked recipients of government funding to join with them to find more efficient ways to spend public money and eliminate waste. Agencies and third parties receiving government funds will be required to prepare detailed public financial statements for the people of Saskatchewan to know how and where their money is spent.

Saskatchewan people are telling my ministers there are basic criteria that must be met by any business or social agency seeking to forge a partnership with government and the people of Saskatchewan:

- sensitivity to provincial, urban, rural, multicultural and individual concerns;
- good management and public accountability for the use of public funds;

- service-orientation, with good community relations; and

- commitment to the social and economic fabric of the local community.

My government is committed to ensuring that its partnerships for the social and economic development of Saskatchewan meet these criteria.

The people have told my ministers it is critical all elected public office holders act in the performance of their duties with the utmost regard for the interests of the people of Saskatchewan. To avoid even the appearance of any wrongdoing by my ministers, my First Minister will implement a set of guidelines for the ethical conduct of Cabinet Ministers and Legislative Secretaries. These guidelines, enforceable by the Premier, will be made public.

With the input of **Consensus Saskatchewan**, my government will investigate the benefits of access to information rules and laws for the protection of personal information held in government records.

### The federal government is transferring costs to the Province

My government is committed to working co-operatively with the Government of Canada, other provinces and municipal governments in areas of shared responsibility. We must ensure the needs of all Saskatchewan people are addressed and that our people receive their fair share of benefits and support.

My government is concerned about the transfer of more and more federal funding responsibility to our province. It is straining our capacity for health care, education, justice and social service programs. My government is committed to resolving this issue. Federal responsibility for services for our large Treaty Indian population is of particular concern. My government, in partnership with Indian people, intends to press Ottawa to fully assume its responsibility for services for Indians in this province.

### A commitment to service and efficiency

The people of Saskatchewan expect and deserve a government that is committed to strong fiscal management. My government, through **Consensus Saskatchewan**, will seek ways for stricter accountability for the use of government money and resources. Waste will not be tolerated. Efficiency is essential at all levels. The people have told my ministers that service to the public is critical. A re-affirmation of the delivery of quality service will take place at all levels of the public service. My ministers will continue to have open dialogue with the people of Saskatchewan to ensure programs and services are meeting their needs and that the public is receiving value for its hard earned tax dollar.

## CONCLUSION

My ministers have pledged themselves to work with the people of Saskatchewan to ensure a better, more prosperous life as we move towards the 21st Century.

The steps my government has laid out will help us get back to more prosperous times while maintaining the essential services we will require to meet the challenges of the next decade and beyond.

Over the past decade, our province and our people have experienced the effects of rapid global change. Much of the change has been good, bringing economic and social freedom and individual expression. We can expect to experience an even faster pace of change in the future. My government proposes to lead this province through the next decade and into the next century on an agenda developed through broad consultation with the people of Saskatchewan. All people of this province will be active participants in the process and will share in the benefits. My government is committed to providing the solid leadership expected and deserved by the people. Through consultation, a new consensus will be built and a new plan developed. This plan will be a blueprint to take us through this decade of change and to lay the foundation for a new century — **Blueprint 2000**.

### Strengths of Saskatchewan people

My government believes in the strengths of this province and in all of its people. Our strength is in our heritage, our achievements, our creativity and innovation, our courage and our spirit. People have come from all over the world to settle in Saskatchewan. Some came to avoid persecution. Some came for the opportunities this great province has to offer. My government pays tribute to them. They are Saskatchewan.

The future will bring us new strength, new possibilities and new determination to face the many challenges ahead. Our hope is strong. My government's commitment to the people will ensure that we meet tomorrow with enhanced prosperity and security.

During this session, the Public Accounts for the last fiscal year, together with Estimates for the year commencing April 1, 1990, will also be submitted to you.

I leave you now to the business of the Session, with full confidence that you will favourably discharge your duties and responsibilities.

May Divine Providence continue to bless our province and guide this Legislature in all its deliberations.